

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Annual Compliance Review, 2012

Docket No. ACR2012

CHAIRMAN'S INFORMATION REQUEST NO. 10

(Issued February 25, 2013)

To clarify the basis of the Postal Service's estimates in its FY 2012 Annual Compliance Report (ACR), filed December 28, 2012, the Postal Service is requested to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than March 1, 2013.

International

1. In the response to CHIR No. 8, question 2, concerning negotiated service agreements (NSAs) within the Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 product, the Postal Service states that "For FY 2012, contract-specific rate for both the NL Post and Hongkong Post bilateral agreements are providing above-UPU cost coverage for the actual volumes exchanged." Please identify in the FY 2012 ICRA the financial results that are the basis for this comparative statement, or show all calculations used to develop the cost coverage at the UPU rates applicable to NL Post and Hongkong Post for purposes of comparison with the cost coverage at the NL Post and Hongkong Post contract-specific rates for the actual volumes exchanged during FY 2012.

Special Services

2. The following question refers to library reference USPS-FY-28, filenames “StFSPhilatelic2012.xls” and “STFS2012.xls.” Please explain why the Philatelic Sales work hours of 4,630 are not deducted from the Stamp Fulfillment Services work hours of 56,558. Include in your response any updated workpapers as appropriate.
3. The MCS product description for Change of Address Credit Card Authentication indicates that a fee of \$1.00 is charged to customers per credit card authentication. Please explain the discrepancy between the 13.1 million volume and \$13.5 million revenue figures for Change of Address Credit Card Authentication reported at page 31 of the Annual Compliance Report.

By the Chairman.

Ruth Y. Goldway